

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
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**ADMINISTRATIVE RULE
FISCAL IMPACT STATEMENT**

PROPOSED RULE: 98-124
STATE AGENCY: Indiana State Board of Animal Health

DATE PREPARED: Oct 15, 1998
DATE RECEIVED: Aug 31, 1998

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Digest of Proposed Rule: This proposed rule amends 345 IAC 3-5.1-1.2 to delete the definition of noncomplying herd owner. The proposed rule amends 345 IAC 3-5.1-2 concerning identification of swine. It amends 345 IAC 3-5.1-8.7 concerning the requirements for Pseudorabies quarantined swine. The rule adds 345 IAC 3-5.1-8.9 to reflect the quarantine release deadlines in the Program Standards. It makes other changes in the law of Pseudorabies control and technical changes.

Governmental Entities:

State: This rule places no unfunded mandates upon state government. The cost of the testing will continue to be paid by the state.

Local: This rule places no unfunded mandates upon any local government unit.

Regulated Entities: Swine producers: These proposed rule changes will require all owners of swine herds that do not eliminate pseudorabies from their swine herds within the time frames specified in the rule to test all breeding swine in the herd.

Beginning January 1, 1999, this rule will require all pseudorabies positive breeding swine to be removed from the herd. The cost to a quarantined producer will be the loss of future litters from the swine and the additional cost of replacing the breeding animals that are removed from the herd.

As of July, 1, 1998, there were 229 swine herds quarantined for pseudorabies with approximately 60,000 breeding animals. The exact cost to the producer for the loss of a breeding animal is difficult to estimate due to the differences in breeding stock, including the differences in breed characteristics and the variable characteristics of blood lines. In order to determine the cost to the swine producers within the state, it is assumed there will be 229 pseudorabies quarantined herds on January 1, 1999 and that 40% of the breeding stock in each herd is positive. It is also assumed that the cost of the loss of a breeding animal is approximately \$200. The total impact to swine producers if all the infected breeding animals are eliminated is estimated to be \$4,800,000 (.40 x 60,000 x \$200).

There could be also be a fiscal impact to swine producers in the state that still have herds with pseudorabies beginning January 1, 2000. Under the proposed rule beginning on January 1, 2000, the Board of Animal Health may order a herd that is quarantined for pseudorabies depopulated in whole or in part under a staged slaughtering plan. If a herd is ordered to be depopulated there would be costs to the owners of herds of depopulated herds due to the loss of breeding animals. It is estimated that by January 1, 2000, the number of herds needing to be quarantined and possibly depopulated will be reduced to approximately 50 herds.

Beginning January 1, 2000, the proposed rule will require that all owners of swine herds located within two miles of a swine herd quarantined for pseudorabies to vaccinate their herds for pseudorabies at least once a year. The number of swine herds within two miles of a pseudorabies quarantined herd after January 1, 2000 is unknown. The approximate cost to vaccinate a pig for pseudorabies is \$.50 per dose.

Livestock Markets: The rule changes will require that all swine herds under quarantine for pseudorabies sell swine through approved markets only. All markets accepting pseudorabies positive swine will have to clean and disinfect their premises. Cleaning and disinfecting a market may add an additional expense to a market, however, all markets currently clean their premises. The additional expense, if any, to a market will be the cost of disinfectant and time put into additional cleaning and disinfecting.

Information Sources: Gary L. Haynes, Director, Legal Affairs, Indiana State Board of Animal Health, 227-0300, Terry Fleck, Indiana Pork Producers Association 872-7500.